

great that when you have a crop reporting district making an averaged figure, that you could really be drawing an average between two pretty wide or disparate figures depending on the geographical characteristics of the county. What this permits the tax commissioner to do is to adjust the values of a class or subclass of land to reflect those geographic differences within a county. This, by the way, parallels the practice that used to be in our manuals, when in some of the larger counties, the larger counties were, in fact, somewhat divided for the purposes of valuation because there was a recognition of the different geographical qualities inside a county. Lastly, with respect to developing the income stream for rangeland and pastureland, we have authorized the calculation of animal unit months and we use that calculation in conjunction with a figure for expenses on the land and that helps us develop the income stream. However, there are additional methodologies that are out there that have been suggested by the university and by farmers that would use a carrying capacity approach or a forage production income stream, minus the expense method, which would as well give us a triangulation on these values. In fact, there are places where the carrying capacity or the forage production method would be more accurate, more precise, with figures more available than the existing, more narrow income stream methodology of animal unit months minus expenses. This bill would allow for the use of the carrying capacity approach or the forage production income, less expense method, to be used for rangeland and pastureland where those methods will give us a better or a more precise figuring of value than the method that we have in the bill now. There are places in the State of Nebraska where we really don't have a great deal of confidence in the animal unit months method, but that we could develop the carrying capacity approach or the forage production approach with greater confidence and the Revenue Department would like to be free to use those more precise methodologies where information is more readily available, and because of that, there should be a better reading in the valuations that are struck. Those are the four changes that are suggested by the bill. I would urge their adoption and advancement to E & R Initial.

SPEAKER BARRETT: Thank you. Five minutes and 17 seconds have elapsed. Senator Nelson, followed by Senator Hefner.

SENATOR NELSON: A question of Senator Landis, please, and I'll make this very brief because I don't want to take your time.

SPEAKER BARRETT: Senator Landis.